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Automotive News

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GM maps franchise for '90s

Dealers will fight more takeaways

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — At a time when dealers are accusing General Motors of chiseling away at their profits, the automaker is developing a new dealer franchise agreement that will carry it into the competitive 1990s.

The new agreement, which in essence is a contract that allows a dealer to sell GM-built vehicles, replaces the present five-year agreement on Nov. 1, 1990. The agreement, according to dealers involved in developing the new contract, could include:

- A new process for resolving disputes between GM and dealers.
- More specific sales-target and customer-satisfaction performance levels for dealers.
- More detailed requirements for in-dealership high-tech equipment.
- More detailed requirements for dealership employee training.
- A change in the franchise buy/sell clause that dealers fear would make it harder to sell the dealership to offspring at lower-than-market prices.

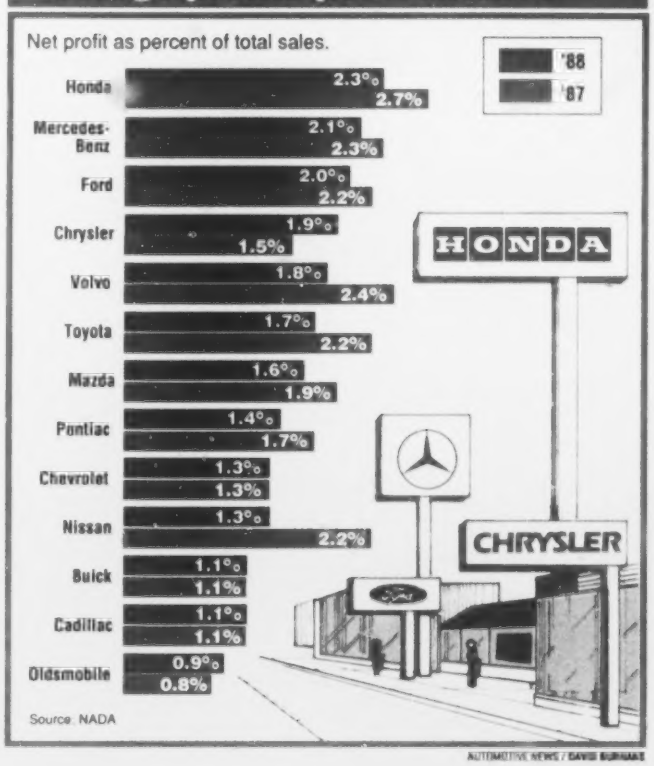
What the 1990 franchise agreement won't contain is a wholesale adoption of Saturn-type features.

While GM will reveal few specifics about what it wants in the agreement, Robert H. Ogden, GM's general director of sales operations and dealer relations, said Saturn's clean sheet of paper approach and dealer ranks of no more than 200 allowed it to make its franchise agreement different from GM's.

"We're working with a mature organization of 10,000 existing

see FRANCHISE page 58

Average profits per franchise



Dealers sliding toward red ink

By Laura Clark and Lindsay Chappell
AUTOMOTIVE NEWS STAFF REPORTERS

New-car dealers' pre-tax profit margins declined in 1988 and now are sliding into the red.

Preliminary figures collected by the National Automobile Dealers Association reveal that pre-tax margins dwindled into net losses for a growing number of dealers during the first two months of this year.

The report could indicate the worst January-February performance since the end of the recession in the early 1980s.

The news comes on the heels of a poor dealer profit performance in 1988. NADA reported that nationwide pre-tax profit averages for domestic and import dealerships combined sunk to 1.6 percent of sales last year from 1.9 percent in 1987.

January-February profits are traditionally weak, but the new figures appear to be abnormally bad, said NADA Executive Vice President Frank McCarthy.

"This looks like the worst January-February period we've had since 1983," McCarthy said. "A lot of dealers are in the red."

Jake Kelderman, NADA executive director of industry affairs, cautioned that the analysis will not be complete for another two weeks, but he said the numbers coming in "are not encouraging by any means."

"The resilience within the dealer network just isn't there now," Kelderman said.

Tom Webb, NADA statistical director, said he has not completed analysis of February survey results, but the average dealer pre-tax margin in January was "just barely black."

NADA measures and reports profit margins as net pre-tax income as a percentage of sales.

NADA President Ron Tonkin said it was his impression from talking to dealers around the coun-

see DEALERS, page 59

Ford leads way to 2.9% loans; GM follows

By David Versical and Laura Clark
AUTOMOTIVE NEWS STAFF REPORTERS

The auto industry headed into another incentive bonanza last week by tempting customers with the most aggressive rebates and discount finance offers in nearly two years.

But the lead player came as a surprise. Ford Motor Co. — the only Big 3 automaker that has increased its market share this year — kicked off the latest round on Wednesday. Ford is now offering financing as low as a 2.9 annual percentage rate or cash rebates worth $500 or more on most of its cars.

General Motors echoed Ford's offer with a program that began Friday. Like Ford, GM offered 2.9 APR rates on 24-month loans, 5.9 for 36 months, 6.9 for 48 months and 9.9 for 60 months.

Volkswagen, trying to pump some blood into an anemic 1989, began a novel new program that essentially adds between $500 and $2,000 to the downpayment on financed purchases. Customers who pay cash get a U.S. savings bond.

And Toyota provided some dealer incentives worth up to $1,000 on 1988 and 1989 Camry models.

Chrysler Motors, meanwhile, said it was studying the Ford and GM moves. As of Friday, however, Chrysler was sticking with its current program. That deal offers financing rates between 4.9 percent and 10.9 percent or cash rebates worth $300 or more, plus additional cash discounts for current owners.

The latest efforts came as little surprise. At the start of the year, analysts had predicted that interest rates would climb and that automakers would have to rely on aggressive sales programs to keep things moving. But the prime interest rate jumped twice in Febru-

see INCENTIVES, page 58

Geo models: Chevrolet's marketing answer to a growing import market

Geo line no barn burner, but Chevrolet is optimistic

By Dutch Mandel
AUTOMOTIVE NEWS STAFF REPORTER

As Geo receives its six-month report card, Chevrolet's marketing chief expressed cautious optimism about its overall performance.

He shooed aside worries about increasing supply, a softening market, import share decline and a host of dealer woes and said time should prove that Geo will make the grade.

"I guess I'd give it a B-plus," said Michael H. Erdman, Chevrolet general marketing manager, reflecting on the import franchise's first few months as a separate marketing entity.

See related story, Page 57

In the middle of the 1988 model year, Chevrolet said it would merchandise its captive imports plus the Nova under the Geo label for 1989. It offered the Geo franchise to its 4,900 dealers, and about 4,100 are handling the line.

Despite Erdman's assessment,

see GEO, page 57

Ford scales back '89 sales forecast

By David Versical
AUTOMOTIVE NEWS STAFF REPORTERS

Rising interest rates have prompted Ford Motor Co. to trim its 1989 car and truck sales forecast.

Ford opened the year with the Big 3's most optimistic sales projection — 15.4 million. It has now backed off that number.

"Ford is still forecasting the year will come in above 15 million," said Robert L. Rewey, vice president for North American sales operations. "But certainly there has to be concern over the very rapid movement of interest rates that occurred in the first quarter."

Ford had accounted for the prospect of higher interest rates in its earlier forecast. But that was before the prime rate absorbed back-to-back increases in February. At 11.5 percent, the prime is now the highest in more than four years.

The prime interest rate is the rate commercial banks charge their best corporate customers and is commonly used to measure the cost of money. A rising prime rate could cause a slowdown in borrowing and spending.

Rewey said the increases have

see SALES, page 58

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ati: old exec, automatic Page 2
Tonkin targets fleet deals Page 3
California probes big Ford dealership Page 4

KIT WOES

London Motors fights shove to bankruptcy

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

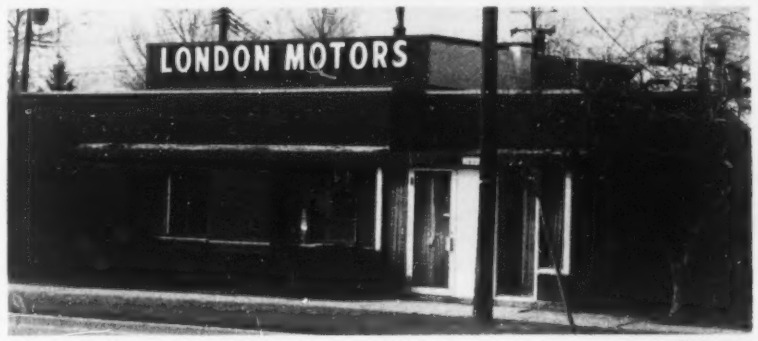
London Motors, an Inkster, Mich., kit car manufacturer, will tell a federal Bankruptcy Court in Detroit this week that it is close to a deal with new financial backers and can repay its creditors without being forced into involuntary Chapter 11 reorganization.

On Jan. 30, three car dealers, who say London Motors owes them approximately $175,000, filed a petition with the U.S. District Court in Detroit to place the firm in involuntary Chapter 11 reorganization.

The dealers claim that London Motors failed to deliver MGTD-replica "London Roadsters" and refuses to refund their advance payments.

Creditors of London Motors have filed claims totaling $200,000 with the Bankruptcy Court.

The company faces similar complaints from more than 27 car dealers, and 14 consumers — who made deposits of as much as $15,000 — have filed complaints with the Michigan attorney general's consumer protection division.



GLENN TRIEST
Headquarters of London Motors in Inkster, Mich., where London Roadsters are assembled

State records show that some of those complaints have been settled by London Motors.

In court papers filed last month, the company said it is trying to reorganize its finances with new financial backers and will resist its creditors' petition to place the company in Chapter 11 bankruptcy.

Morris Goodman, attorney for London Motors, blamed the company's financial troubles on a $1 million loss he said it suffered a few years ago when an agreement to build a convertible version of the Pontiac Fiero fell through after London Motors purchased tooling for the project.

Goodman said the company also lost money when it borrowed from a bank that later dissolved and called the loan early.

In court papers filed March 20, London Motors said its president and sole owner, Ian Stevenson, has met with "several groups of investors to refinance his companies." Stevenson declined to be inter-

see LONDON, page 60

Tonkin targets fleet deals, sets meeting

By Lindsay Chappell
AUTOMOTIVE NEWS STAFF REPORTER

As the core of Ron Tonkin's "Rough Riders" prepares for its first meeting April 10, the new National Automobile Dealers Association president is cranking up his crusade against what he considers factory injustices.

In a fiery cassette tape distributed last week to dealers nationwide, Tonkin decried the continuing erosion of U.S. dealer profits and discussed suing carmakers that sell to leasing companies in competition with franchised dealers.

Tonkin

The rousing eight-minute cassette also warns of NADA's readiness to take the factory subsidy issue to Congress if the automakers don't heed the dealers' mounting protests.

Tonkin's challenge to the automakers comes at a time when he says his initial group of 200 Rough Riders has grown to 400 dealer members, although some of his original appointees refused to serve. And NADA's chief staff member says the association is getting masses of mail supporting Tonkin's crusade.

"As your president, I am confident that we could have legislation introduced that would stand better than a 50-50 chance of becoming law," Tonkin said on the tape, which went to all 20,000 NADA dealer-members and an additional 4,500 non-member dealers.

Spokesmen for each of the Big 3 said they had not heard the tape and declined to comment on Tonkin's remarks on fleet subsidies and falling dealer profits.

"Every fleet sale that Chrysler Corp. makes goes through a dealer," a Chrysler spokesman said. "But, Mr. Tonkin never gets around to saying that. Mr. Tonkin has decided he's going to ride his horse for a while, I guess."

A spokesman for General Motors said, "We are in constant contact with NADA. If he (Tonkin) has something he wants to talk to us about, we're always willing to meet with him."

A Ford spokesman also expressed surprise when told of the NADA tape. "We've always gotten along very well with our dealers. We will deal with any problems our dealers have the same way we always have, through our national dealers' council," he said.

In 1985, NADA failed in an effort to get congressional support on the fleet subsidy issue. An Iowa

see TONKIN, page 60

Ford-Soviet plant deal collapses

By David Versical and Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTERS

Ford Motor Co. has withdrawn from a group of U.S. companies working together to set up joint ventures in the Soviet Union.

The announcement marked an abrupt — and perhaps temporary — halt to Ford's efforts to break into the Soviet auto market. A year ago, Ford helped form the American Trade Consortium, a group of seven companies attempting to remove a thicket of economic and political issues that have blocked business opportunity in the Soviet Union.

Ford declined join the other companies in signing a general trade agreement with a Soviet consortium last week. The agreement was seen as a necessary step for each company to pursue its own ventures. Ford, the only automotive company in the group, said the understanding did not offer enough assurances to support a project as large and as complex as it had planned.

The company said it withdrew because it did not want to slow the progress of the other firms, whose projects are quite different from the automaker's.

Ford envisioned a two-stage strategy that would have seen it exporting European-built Scorpios and later building the cars in a Soviet plant.

"We are disappointed," said Philip E. Benton Jr., president of the Ford automotive group, in a statement. "The Ford project included a substantial initial investment for a major new automotive complex. To succeed, it would have required that the Soviets adopt new and innovative financial arrangements."

Ford Werke sources in Cologne, West Germany, said the deal collapsed over a requirement that Ford invest heavily in a new production complex in Gorky. The Soviets made a multi-faceted proposal for compensation that Ford found unacceptable, sources said. Ford reportedly decided the investment was risky without assured means of early repayment.

Benton said Ford is still interested in a joint venture, and it feels it made definite progress in the negotiations. A major project could still be completed if conditions for doing business in the Soviet Union become "better defined," he said.

Ford's interest in a venture was triggered in 1987, when the Soviet Union invited Ford to look into business opportunities there. In April 1988, Ford announced that it had joined the consortium. The other members are Chevron Corp., Eastman Kodak Co., Mercator Corp., Johnson & Johnson, Archer Daniels Midland Co. and RJR Nabisco.

Questions over legal matters, work permits, taxation and ownership rules were among the issues that had to be resolved, a Ford spokesman said. Another was currency.

The Soviets first offered to pay Ford in oil, sources said. Negotiations were held between Ford and Chevron, a consortium member that will seek oil and gas exploration sites in the Soviet Union. Oil and gas are thought to offer the best prospects for generating hard currency revenue for the country.

However, Ford and Chevron could not reach an agreement, sources in Europe said. They said the talks with Chevron broke down because Ford would have had to wait roughly five years for repayment because of depressed world oil prices. As an alternative, the Soviets offered to pay Ford in gold. But once again, low world prices would have required Ford to wait too long for compensation.

A company source said discussions between Ford and the Soviets will continue on a much smaller scale outside the framework of the consortium.

INDEX

Around the world	38-40
Auction dates	46
Books of interest	20
Classifieds	47-55
Coming events	16
Dealing with dealers	28
Legal briefs	30
News briefs	8
Obituaries	57
Opinion	12
Personnel	34-35
Production	61
Service management	18
Truck industry	14

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California emission rules urged for New York

By Jim Henry
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — Health and environmental groups are pressing New York and other Northeastern states to adopt California's stricter air pollution standards.

"We want to apply existing technologies that the manufacturers already have," said Russell Hinz, a spokesman for the American Lung Association of New York State in Albany.

He said proposed legislation banning cars that don't meet the California standards is expected to be submitted to the New York Legislature within three months.

Manufacturers would have to be given at least two years' notice of the impending change, so the new rules would not take effect until the 1992 model year or 1993, he said.

"So far, only California benefits from the advanced clean-car technology available today," said a statement issued by the New York Acid Rain Coalition, which includes the Lung Association and such groups as the Sierra Club and the Appalachian Mountain Club.

"By adopting the California auto emissions program now — including the more stringent standards California plans to adopt this spring — New York can reduce carbon monoxide and hydrocarbon emissions from motor vehicles by 2010 as much as 50 percent, and nitrogen oxide by 36 percent," the coalition said.

California's emission control standards are tighter on some pollutants, but are more lenient on carbon monoxide. The federal standards are 0.41 grams per mile for hydrocarbons, 3.4 gpm for carbon monoxide and 1.0 gpm for nitrogen oxides. California allows only 0.39 gpm for hydrocarbons and 0.4 gpm for nitrogen oxide, but 7.0 gpm for carbon monoxide.

William Sessa, a spokesman for the California Air Resources Board in Sacramento, said last week that California is expected to adopt the tougher standards by early this summer.

The tighter requirements, if adopted, would go into effect in 1993 and limit hydrocarbons to 0.25 gpm, carbon monoxide to the federal 3.4 gpm and keep nitrogen oxides at 0.4 gpm.

Sessa cautioned, however, that the California standards were devised to address "some of California's unique air quality problems. Whether they would help other states is up to the judgment of the other states."

Sessa said most cars already meet California standards without having to be modified mechanically, though they may have to be "recalibrated" to pass the California regulations.

Marcel Halberstadt, a spokesman for the Motor Vehicle Manufacturers Association, agreed with that assessment. "Clearly, it is technically feasible for the manufacturers to make cars that would measure up in California to be sold in states other than California," he said. "However, if the idea is to achieve cleaner air, we're not at all sure that doing it this way is going to achieve that end," he said, noting that the California standards were designed for conditions specific to that state.

Hinz said such a move would "not place any undue burden on the consumer." He estimated that equipping cars with California-style emissions packages would cost manufacturers a maximum of about $100 per car.

The California Association of Governments and the South Coast Air Quality Management District recently endorsed a radical anti-pollution plan that would ban gasoline-powered cars in Southern California by 2007.

Hinz said if New York adopts the present California guidelines now, New York could avoid having to consider such radical measures.

Dealership bonuses rank high in Infiniti program

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

CARSON, Calif. — As Nissan's Infiniti Division prepares to enter the luxury segment of the U.S. market this fall, it has placed high priority on developing dealer sales and service programs that it feels are the best in the business.

To do that, Rick Lueders, national parts and service manager, said Infiniti talked to such successful "best-in-practice" retailing companies as Mercedes-Benz, McDonald's restaurants and the Nordstrom department store chain and studied their training and retail programs.

Lueders said the first step was to develop a policies and procedures manual on how they want Infiniti dealers to perform parts, service and sales.

"The next thing we are going to do is design a computer system that will integrate all in-dealership departments and programs," he said. "It will help run service, parts and sales. It also will do finance and insurance, scheduling and loading, parts cataloging, parts ordering and inventory management. Everything the dealer needs to operate the dealership."

The final step, according to Lueders, is the creation of a marketing fund for the dealers. He said the fund is currently coded, not too coincidentally, CSI — Customer Satisfaction Index. However, a committee is working on a permanent name for the fund.

Lueders said the division-generated fund will be used to pay bonuses to all dealership personnel based on the kind of performance they actually deliver at the contact level with the customer.

Lueders said Infiniti is developing a measuring system to determine the amount of the bonuses for the employees. The marketing fund is viewed as additional compensation that will be used to reduce personnel turnover at dealerships. He said payments likely will be made to employees quarterly.

All of the policies and procedures, the computer system and marketing fund, will be an important phase of the dealer training program Infiniti will conduct at its new national training center in Scottsdale, Ariz.

The $5 million, two-story, 27,000-square-foot building will serve as the headquarters for the company's comprehensive training program, incorporating all dealer sales, service parts and management functions.

As the model for all future Infiniti dealerships across the United States, the Scottsdale facility will be used to test and fine-tune dealership design and operations.

Lueders said the training center also will have a feature called Dedicated Delivery — a night depository system for 24-hour delivery of parts.

Approximately 65 Infiniti dealerships will be built prior to the introduction of the cars. Each dealership will be based on the training center's design and concept.

After the training sessions are completed and shortly before introduction of the cars, the training center will be converted into a functional dealership and sold to Herbert C. Pell III and Michael J. Heims, the Infiniti dealers in Scottsdale.

This $5 million dealer training facility will become the Scottsdale, Ariz., Infiniti dealership

Training sessions for dealers will begin shortly after construction is completed in early May, according to Lueders. The dealer training sessions will consist of facility and marketing presentations and a ride-and-drive of the new cars.

Lueders said training for technicians will begin about Sept. 18 in shifts of two classes of 12 each for two weeks.

He said Infiniti expects to train an average of one or two technicians per dealership in the first wave of phase of franchise appointments.

"We are recommending the dealer select general technicians rather than specialists for Infiniti training," Lueders said. "We are looking for guys with all-around service experience."

While the dealers must have trained technicians at start up, Lueders recognizes that there probably won't be much work for them in the initial stages, hence the bonus fund.

"We know, as anyone else in the industry — and you can check with the Acura dealers — the technicians are not going to be very busy on day one, unless the dealer goes in with a good used-car operation and pre-delivery inspection," Lueders said. "Our best guess tells us that each dealership on day one will have one or two technicians."

"What we have decided to do is encourage our dealers to have used-car operations. We think that for the health of the store and the health of the franchise, it is almost a necessity from day one," he said.

Asked whether a technician could live on that quarterly payment if there were no service work in the dealership for a few weeks, Lueders said, "Flat-rate day one for the average general technician is not going to work at our dealerships. We are going to have to come up with a different kind of pay plan and a pay system. We are going to recommend that to our dealers, but we are not yet quite there with such a plan. In the next month or two, we should have that finalized.

"But from day one, the dealer is not going to be able to have a technician on the typical flat-rate pay plan. There is no way to keep a guy. It's just impossible," he said.

"What we are trying to do, and it is a big involved process, is trying to figure out day one what is the minimum head count the dealer has to have to open up," Lueders said, "and then take a snapshot of that one year down the road."

SERVICE INDEX
102.6★

	Dec., '88 vs. Dec., '87	12 mos., '88 vs. 12 mos., '87
Gross Profit on All Labor and P&A Sales	+3.7%	+5.1%
Repair Orders Written	−0.3%	−0.6%
Total Labor Sales (Customer & Warranty)	+2.4%	−2.6%
Shop Parts Sales (Customer & Warranty)	+4.9%	+4.4%
Sales of All P&A	+2.3%	+4.3%

★ Survey by Automotive News shows that dealers' service and parts business in December 1988 was 102.6 percent of business in December 1987. Service business in the 12 months of 1988 was 102.1 percent of business in the corresponding period in 1987.

SERVICE INDEX
109.8★

	Jan., '89 vs. Jan., '88
Gross Profit on All Labor and P&A Sales	+10.2%
Repair Orders Written	+ 5.8%
Total Labor Sales (Customer & Warranty)	+11.4%
Shop Parts Sales (Customer & Warranty)	+11.3%
Sales of All P&A	+10.2%

★ Survey by Automotive News shows that dealers' service and parts business in January 1989 was 109.8 percent of business in January 1988.

Shop volume rises for '88, makes strong start in '89

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

Service and parts business at new-car dealerships in December rebounded from declines in November and continued to expand after the first of the year.

In January, shop volume rose 9.8 percent over January 1988, according to the Automotive News Service Index.

That gain followed a shop volume increase of 2.6 percent in December, which boosted total 1988 shop volume 2.1 percent above 1987 totals.

The December advance, followed by an even better performance in January, capped a string of mixed results in the second half of 1988. While shop volume increased each month in the first half of last year, as well as in August and September, it was off slightly in July, October and November.

Parts and accessories sales to off-premises customers in December were 0.5 percent above the year-earlier total, although for all of 1988 the total rose 4.2 percent above 1987.

In January 1989, off-premises parts and accessories sales were 9.5 percent above January 1988 sales.

Gross profit on all labor, parts and accessories sales was the fastest growing segment of the shop index in 1988, as business in that category outpaced 1987 by 5.1 percent.

However, for December, customer and warranty shop parts sales, up 4.9 percent, posted the largest gain.

In December, the only category showing a decline from the year before was repair orders written, off 0.3 percent, although for the entire year, repair orders written declined 0.6 percent and total labor sales declined 2.6 percent.

In January, all categories posted year-to-year gains over 1988. In fact, repair orders written, up 5.8 percent, was the only category not to post a double-digit gain.

Schools respond to dealer needs

Automotive courses also include computer, interpersonal skills

By John Wisely
SPECIAL CORRESPONDENT

The quest for customer satisfaction and a high customer satisfaction index rating has not only affected the way dealerships are operated, it has also changed the way technical education is conducted.

Jack Richards, head of automotive studies at Ferris State University in Big Rapids, Mich., said that hiring practices indicate the attribute dealers want most in technical people is the ability to "handle driveability problems and relate with the customer."

Technical schools are responding to those needs by supplementing their traditional automotive curricula with more computer courses and with other courses intended to improve the interpersonal skills of the students.

Many of the schools that are affiliated with universities or community colleges are expanding their liberal arts requirements, such as English, speech, psychology and human relations to make the mechanic more responsive to customers' needs.

Typically, a technical school that is part of a college or university will have a two-year program leading to an associate's degree in applied science and then will offer an optional two-year program leading to a bachelor's degree in management.

The liberal arts courses are usually standard at most schools, but computer diagnostics courses can present a dilemma for educators. Because computer diagnostics are changing constantly and each manufacturer has its own system, the schools must decide which systems to teach and how to teach them.

Although all systems are different, they are beginning to show some similarities. "Everybody went their own route for emissions standards in the 1970s, but things are just now starting to look alike," Richards said. He added, however, that the systems are a long way from being interchangeable.

Students currently employed in the industry can be taught the system used by their employers. But students not yet employed do not know which system their future employer will use, so they must be ready for just about anything.

Richards said it is impractical to try to teach all systems on campus, so his school offers a comprehensive diagnostic program and some programs from specific manufacturers. He also said that good basic technical training is transferable and will make it easier to learn any kind of computer system.

The technology changes have also increased the need for hands-on training and, again, the schools have had to respond. Bob Henrickson, director of Mo-Tech Automotive Educational Center in Livonia, Mich., said, "Our courses are about 50 percent hands-on training in the classroom and 100 percent hands-on in the shop."

One way to get additional hands-on training is through internships. Harold Rockwell, dean of automotive studies at Northwood Institute in Midland, Mich., said that more and more of the students do not come from automotive backgrounds and the reasons for internships have changed.

In the past, the students came from automotive families and were looking for money in a summer job instead of getting experience. "Now, they are looking for something that is going to help them when they get out in the business," Rockwell said.

In other words, the learning experience that comes from working at a dealership or for a manufacturer is worth more to the student than the income that could be earned elsewhere. Rockwell also said it is important for students to express themselves well and to be prepared for interviews. Northwood students appear before a panel of dealers to answer questions before they can be certified, he said.

Internships traditionally are served at a dealership or manufacturer to give the students experience in their field. But some schools now provide that type of work environment on campus.

Shoreline Community College in Seattle has its own model dealership on campus. It is run by students. The students perform all the duties of a dealership staff, from repairs to paperwork, except actually selling cars.

Jim Hammond, executive director of the Puget Sound Automobile Dealers Association, which helped fund the model dealership, said it is an innovation in technical education because its teaching is twofold.

"The model dealership teaches them not only how to handle the cars they will be working on, but how to handle the customers as well," Hammond said.

The dealership cost $2.3 million and was funded by several businesses in the Seattle area and by the state of Washington. That price puts it out of range of most schools but others are using the same concept to a different degree.

Oklahoma State University Technical Branch at Okmulgee also has students working in a real-world atmosphere on campus. Steve Doede, head of the automotive technology department, said students work at the on-campus National Automotive Parts Association store and serve all the body shops on campus as well as the students' needs.

Videotape assures new-car buyer that dealership CAREs

By Diana T. Kuryliko
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — The new Chevrolet Nova had been sitting in the parking space outside Jacqueline Steinhart's apartment in Alexandria, Va., for nearly two weeks. Her infatuation with the shiny new car she bought was just about wearing off when a videotape called "Because we CARE" arrived in the mail last fall.

Steinhart's first reaction was, "What in the world is this?"

To Steinhart's surprise, the key employees of Pallone Chevrolet, Springfield, Va., where she had bought the Nova, appeared on her television screen, thanking her for the purchase and telling her about the dealership's hours and services. The tape provided special telephone numbers, outlined how she could drop off her car at night for service the next day, and talked about maintenance schedules.

Steinhart was impressed: "There is a great deal I don't know about the maintenance and repair of my car — that can be a very scary feeling. The video gave me a comfortable feeling in that I could call Pallone and they would take care of my needs."

And when her Nova hit 5,000 miles she popped the tape back into her VCR and was reminded it was time for an oil change.

Steinhart is one of thousands of new car buyers in the Washington area who has received a videotape from a new-car dealer. The tape was prepared by VSI Productions, a Virginia-based company.

VSI is the brainchild of an unlikely duo: Keith Johnson, a former drummer for rock bands like Kiss, who professes to love cars but knows little about them, and Ron Poland, a car buff and 22-year veteran of the car business who has done everything from sell cars to manage a dealership.

Johnson and Poland joined forces two years ago to produce television ads called Video Car Lot, which featured dealers selling used cars. It was through exposure to the retail car business that Johnson realized dealers had unjustly gained a bad image.

"I could go up to anyone on the street and say, 'Give me your first reaction to these two words — car dealer' and the reaction would be negative," Johnson said. "If I asked them to react to the words 'used car dealer,' I'd usually get an expletive as the first word."

Poland suggested that he and Johnson put their skills to work at developing a video product that could help dealers shake this negative image.

Johnson was hesitant: "I just didn't see it."

But Poland persisted. "Many dealers are community-minded and involved . . . but the only thing that the public hears is about dealers turning back mileage and dealers who falsify contracts for new cars."

Johnson was persuaded a video program would work, provided the tapes were short enough to keep a customer's attention. They named the product Because We CARE (short for customer awareness and reassurance of excellence). The tapes are designed for each dealer and are about 12 minutes long.

An interested dealer is sent a script that suggests which employees could be shown on camera and what kind of message they could deliver. In addition to providing information, the videotape can help a dealer focus on problem areas, reinforce a dealership's commitment to correct errors and attempt to leave the customer satisfied with his selection of that dealership.

"Some put on their service managers and (they) say, 'We're not perfect. If we make a mistake, let us try to fix it.' " He said this kind of approach has helped some dealers improve their customer satisfaction rating.

Other dealers use the videotape to say their service department is just as competitive as the neighborhood garage for a new muffler or brake job, the kind of work some car owners wouldn't think of having performed at a dealership.

The tape is also a "hassle-free" form of advertising. After the initial taping session, the dealer just provides VSI with the names and addresses of new-car buyers, and VSI ships the videotapes.

VSI's fees are based on the dealership's annual sales. Fees range from $5,650 for producing the tape and $14 per tape (for the dealer who sells 360 or fewer vehicles annually) to no charge for production and $7.65 per tape for dealers whose sales volume exceeds 4,800 vehicles annually.

Dealers say the cost is worth the investment.

Mary Brandis, secretary/treasurer of Jennings Springfield Toyota in Springfield, Va., said her customers are pleased with the tape. Brandis said she couldn't say yet whether the tape has boosted sales, but she doesn't regret the investment. "They did a good job," she said.

Barry Drain, general manager of Pollone Chevrolet, said the dealership is pleased with the program. "We got good response. The videos did extremely well."

But Poland warns the videotape is no substitute for good service. "Creating the proper image will get the customer back the first time. But if you treat him like dirt, I don't care what kind of image you have, he'll never be back," he said.

California tightens gray-market air rules

By Tom Lankard
SPECIAL CORRESPONDENT

SACRAMENTO, Calif. — Emissions standards for used gray-market cars have been tightened in California.

Under the state's rules, recently approved by the EPA, gray-market cars more than two model years old must be equipped with an emissions control system previously approved by the state's Air Resources Board for that car and its engine.

Also, the car must meet the state's standards for the year of its original manufacture. Previously, used gray-market cars had to meet only the less-stringent federal standards.

The state's regulations for new gray-market cars, adopted in 1987 and covering cars two model years old or less, require that a car meet the emissions standards for the year it is first licensed in the state.

Any company that wants to modify direct imports for sale in California must now meet three basic requirements to obtain the state Air Resources Board's approval.

- It must use an emissions control system that meets the board's requirements.
- It must have a recall and warranty program.
- It must have insurance or post a bond with the board to cover the costs of a recall in the event the board orders one and the manufacturer is no longer in business.

Prior to the change, meeting federal standards for used gray-market cars meant nothing more than having a car's emissions control system altered to the extent necessary to get the car past a federally prescribed test on a dynamometer. That was the extent of the modifier's legal responsibilities to the car's buyer and government clean-air agencies.

In mid-1988, however, the EPA began its own phase-in of stricter rules for direct imports in all states except California. Generally, the federal rules for cars less than six model years old are similar to California's.

For cars between six and 20 model years old, EPA-licensed modifiers may use the dynamometer test to prove the effectiveness of their emissions control system.

In all cases, though, the modifier must have a recall and warranty program to cover any failures.

EPA's rules exempt cars more than 20 model years old.

NEW IMPORT CAR REGISTRATIONS

1988 Place	Make	Total	1987 Place	Make	Total
1	Honda	662,136	1	Toyota	618,641
2	Toyota	644,763	2	Honda	613,221
3	Nissan	471,981	3	Nissan	516,649
4	Hyundai	263,248	4	Hyundai	261,600
5	Mazda	253,272	5	Mazda	214,938
6	Volkswagen	166,344	6	Volkswagen	176,868
7	Subaru	159,894	7	Subaru	172,564
8	Acura	129,589	8	Acura	104,715
9	Volvo	98,672	9	Volvo	101,008
10	Mercedes-Benz	84,557	10	Mercedes-Benz	93,176
Total all others		774,536	Total all others		778,758
Grand total import cars		3,708,996	Grand total import cars		3,854,138

SOURCE: R. L. Polk & Co.

NEW IMPORT LIGHT TRUCK REGISTRATIONS

1988 Place	Make	Total	1987 Place	Make	Total
1	Toyota	280,166	1	Toyota	347,548
2	Nissan	168,856	2	Nissan	219,952
3	Mazda	99,020	3	Mazda	129,651
4	Isuzu	86,360	4	Isuzu	99,704
Total all others		217,440	Total all others		270,320
Grand total import trucks		851,853	Grand total import trucks		1,057,175

SOURCE: R. L. Polk & Co.

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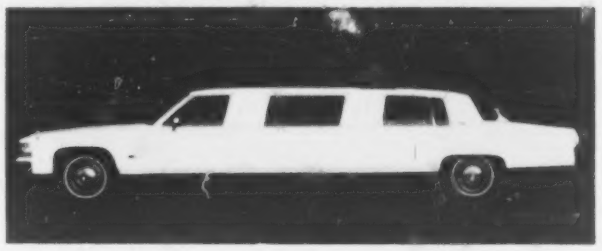

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AUCTION DATES

Chrysler Motors

April — 4 Dallas Auto Auction, Grand Prairie, Texas; Clanton's Auto Auction, Darlington, S.C.; Denver Auto Auction, Aurora, Colo.; Southern Auto Auction, Warehouse Point, Conn.; South Seattle Auto Auction, Kent, Wash.; Hatfield Auto Auction, Hatfield, Pa., and Golden Gate Auto Auction, Fremont, Calif.

April 5 — Columbus Fair Auto Auction, Obetz, Ohio, and Minneapolis Auto Auction, Plymouth, Minn.

April 6 — Fredericksburg Auto Auction, Fredericksburg, Va.; Salt Lake Auto Auction, Salt Lake City, and Metro Auto Auction of Kansas City, Lee's Summit, Mo.

April 7 — St. Louis Auto Auction, Bridgeton, Mo.

Ford Motor Co.

April 4 — Newburgh Auto Auction, Newburgh, N.Y.

April 5 — Clanton's Auto Auction, Darlington, S.C.; Fort Worth Auto Auction, Fort Worth, Texas; Mississippi Auto Auction, Hattiesburg, Miss.; Southern California Auto Auction, Fontana, Calif.; Omaha Auto Auction, Omaha, Neb., and Salt Lake Auto Auction, Salt Lake City.

April 6 — Manheim Auto Auction, Manheim, Pa.; and St. Louis Auto Auction, Bridgeton, Mo.

General Motors

April 4 — A.D.E. of Birmingham, Moody, Ala.; Harrisonburg Auto Auction, Harrisonburg, Va.; National Auto Dealer Exchange, Bordentown, N.J., and Florida Auto Auction of Orlando, Ocoee, Fla.

April 5 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn., and Golden Gate Auto Auction, Fremont, Calif.

April 6 — Southwest Auto Auction, Phoenix, Ariz.; Aptco Auto Auction, Taylor, Mich.; Butler Auto Auction, Gibsonia, Pa.; Big H Auto Auction, Houston, and Nashville Auto Auction, Nashville, Tenn.

April 7 — St. Louis Auto Auction, Bridgeton, Mo.

Used Car Sales
Auction Averages

March 89	$6,061
Month ago	$5,587
Year ago	$6,081

Model Breakdown
Auction Averages

Year	MAR 1989	FEB 1989	JAN 1989
1989 ...	$12,197	$13,118	$12,189
1988 ...	$8,751	$8,235	$8,612
1987 ...	$7,338	$7,289	$7,136
1986 ...	$5,975	$6,014	$5,944
1985 ...	$4,978	$4,784	$4,873
1984 ...	$3,942	$3,840	$3,760
1983 ...	$2,867	$2,683	$2,795
1982 ...	$2,612	$2,187	$2,248
Overall Average	$6,061	$5,878	$5,545

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Fort Worth Auto Auction (div. of GECAA); 2245 Jacksboro Hwy., Ft. Worth, TX 76114. Sale every Tuesday. Contact: George Horton, 817-626-5494.

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Metro Milwaukee Auto Auction. Sale every Wednesday. FMC, GMAC, all leasing. 414-835-4436, Caledonia, Wisconsin.

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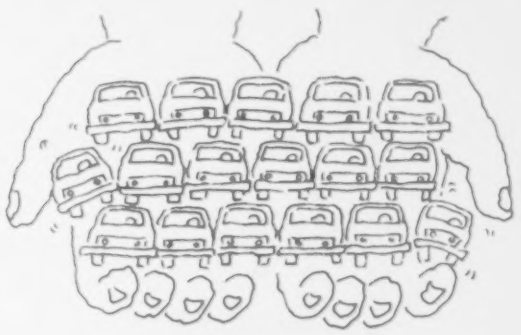

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L.A. auction adds inspection plan

"My Mechanic Dealer Protection Plan," an inspection service for customers, has been added at the Los Angeles Dealer Auto Auction.

"The program offers dealers the chance to evaluate the mechanical condition of their purchases with on-site, third-party inspections," said John Duca, auction manager.

My Mechanic Corp., a Massachusetts-based company offering diagnostic services to the automotive industry, backs its inspections with a seven-day warranty on the engine, transmission, drive axle, air conditioning and frame.

Cost of the inspection and warranty is $35. The fee is split between My Mechanic and the auction.

The program operates as an after-sale inspection but a spokeswoman said eventually it will be converted to a pre-inspection program.

Dealers make their purchases, then bring the vehicles to My Mechanic's on-site facility for evaluation. A seven-day warranty is issued on all vehicles that pass inspection.

If the vehicle doesn't pass, the My Mechanic inspection report can help a buyer reach a quicker and more equitable settlement with the seller through arbitration, said Bob Wolfsen, auction operations manger.

All mechanics are certified by the National Institute for Automotive Service Excellence.

"Dealers are just like consumers," Wolfsen said. "They worry about ending up with somebody else's problem, too. And unlike consumers, lemon laws don't protect them."

The auction is a subsidiary of GE Capital Auto Auctions.

AUCTION BRIEFS

CHARLES THOMAS

Prep center opens

Omaha Auto Auction has opened a $1.5 million vehicle reconditioning center that can recondition up to 1,200 vehicles per week.

Staffed by 40 reconditioning specialists, the 35,000-square-foot facility is on the auction's 47 acres in Omaha, Neb.

The facility can recondition up to 150 vehicles per eight-hour shift and can complete body work on about 240 vehicles a week.

"Omaha Auto Auction has been one of the most efficient and profitable auctions in our system," said Michael J. Richardson, president and chief executive officer of Anglo American Auto Auctions.

The auction, one of 21 owned by the company in the United States, has five lanes and 47 acres of blacktop storage space for vehicles.

Record truck sale

Anglo American Truck Auctions' Atlanta subsidiary, Southern States Vehicle Auction, had a record sale in February selling 212 of 302 trucks consigned, or 71 percent, for a total of $1.2 million.

The consignment, sales percentage and value of trucks sold were all records for Southern States Vehicle Auction.

"Trucks are in short supply in the South and demand is heavy," said Carl Miskotten, president of truck services for Indiana-based Anglo American Truck Auctions.

Included in the record sale were 80 Ford U-Haul trucks; 40 beverage-carrying Ford, Chevrolet, GMC and International trucks from the Coca-Cola fleet; 44 GMC Brigadiers; 27 new Chevrolet Tiltmasters that were untitled 1987 models, and a wide variety of dealer-consigned trucks and trailers.

Sales reach peak

Minneapolis Auto Auction, a GE Capital Auto Auction, set a volume record by selling more than 10,000 vehicles for Chrysler Motors in 1988.

Bill Rambow, assistant general manager of the auction, attributed the increase to a strong joint marketing effort by the auction and Chrysler.

"Both groups worked very hard. It was a consistent effort throughout the year," he said. "One of our goals was to increase dealer attendance and unit sales."

Wayne Snyder, used-vehicle sales and marketing manager for Chrysler, said the number of Chrysler dealers supporting closed dealer auctions is growing.

Only franchised Chrysler dealers are permitted to buy cars at closed auctions. The cars are program vehicles from rental companies and executive vehicles.

GE Capital Auto Auctions, based in Barrington, Ill., operates 18 auto auctions nationally.

64-inch stretch
American Custom Coachworks, Beverly Hills, Calif., has unveiled a 64-inch stretch of the 1989 Lincoln Town Car. Approximately 250 will be built. The five-door conversion retails for $64,000; the regular Town Car starts at $25,562.

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DEALERS

FROM PAGE 1

try that the annual spring rebound — which traditionally begins in mid-March — "just is not happening" this year.

An NADA study showed that the average pre-tax profit for an import dealership in 1988 was 1.6 percent of dollar sales, the same as for domestic dealerships, but below the average import store pre-tax profit of 2.2 percent in 1987.

Pre-tax profits for domestic dealerships dropped slightly to 1.6 percent of sales in 1988 compared with 1.7 percent of sales in 1987, according to the NADA study.

Import franchises in the NADA study were Honda, Toyota, Nissan, Mazda, Mercedes-Benz and Volvo. Domestic lines were Ford Motor Co. (Ford Division and Lincoln-Mercury combined), Chrysler Motors (Chrysler-Plymouth and Dodge combined), Buick, Cadillac, Chevrolet, Oldsmobile and Pontiac.

Jeep-Eagle was not included in the Chrysler Motors report.

Total dealership pre-tax profits — all makes — totaled $4.7 billion in 1988, down from $5.0 billion in 1987. The decline in total dealership profits occurred despite a 4 percent increase in the number of vehicles sold and a 9 percent increase in total dollar sales.

Total dollar sales reached a record $293.1 billion in 1988.

Dealership profits in 1988 were hurt by lower new-vehicle profits and higher expenses. Import-make dealerships were hit the hardest in 1988 as they experienced sharp price increases from their manufacturers, lower demand for luxury vehicles and a rise in floorplanning expenses, especially among European luxury-make dealerships. Kelderman said European-make dealerships reported the highest increase in floorplanning costs because dealers were not moving the higher-priced cars as quickly as in the past.

Both Japanese- and European-make dealerships relied heavily on income from their service and parts business in 1988. NADA said the parts and service departments contributed 67 percent of the total pre-tax profits for Japanese-make dealerships and 97 percent of the profits for all European-make dealerships. That compares with 11 percent of total profits from parts and service for domestic dealerships.

On the sales side, domestic dealerships as a whole received 61 percent of their pre-tax profits from their new-vehicle sales compared with 6 percent for Japanese-make dealerships and losses for European make dealerships. Kelderman said European-make dealerships suffered greater sales declines than Japanese-make dealerships on a percentage basis.

The remainder of the profits were from used-car sales.

Honda dealers reported an average pre-tax profit of 2.3 percent of sales — the highest for any franchise in the survey — compared with 2.7 percent in 1987.

Among the domestics, Ford Division and Lincoln-Mercury dealers recorded the highest average pre-tax profit as a percentage of sales — 2 percent of sales.

Cadillac and Buick dealers both reported average pre-tax profit margins of 1.1 percent in 1987 and 1988. Pontiac was the only GM franchise to see a decline in average dealership profits: 1.4 percent of sales in 1988, down from 1.7 percent in 1987.

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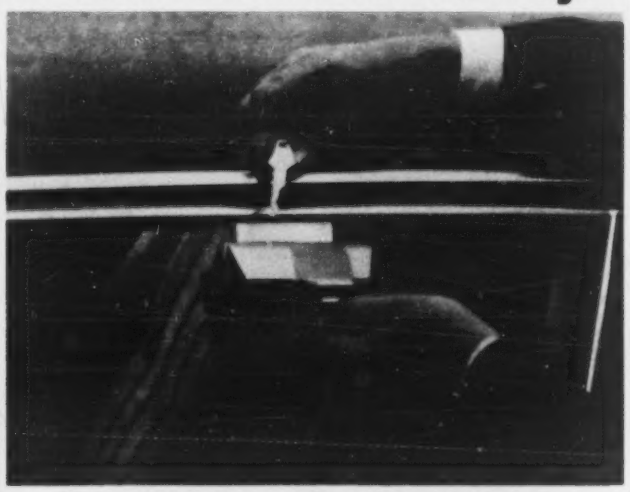

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Output rises in another 4-day week

By Kathy Boyer
AUTOMOTIVE NEWS STAFF REPORTER

Domestic automakers scheduled production of 132,420 units last week, 3.86 percent more than the previous week's 127,502 and 4.50 percent more than the year-ago week's 126,723.

All three were four-day weeks. Production was affected by the shutdowns for Good Friday and Martin Luther King Jr. Day.

So far this year, 1,905,785 cars have been assembled, 14.04 percent more than the 1,671,175 completed last year at this point.

Companies split last week's scheduled output as follows: General Motors, 46.41 percent; Ford Motor Co., 25.37 percent; Chrysler Motors, 12.69 percent; Honda of America Manufacturing, 5.85 percent; New United Motor Manufacturing Inc., 3.02 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 2.81 percent; Nissan Motor Manufacturing Corp. U.S.A., 1.59 percent; Toyota Motor Manufacturing U.S.A., 1.46 percent; and Diamond-Star Motors, 0.80 percent.

Truck production was slated at 74,132 units last week, 2.16 percent more than the prior week's 72,562 and 10.46 percent more than the year-ago week's 67,113.

Year-to-date, 1,157,110 trucks have been built, 7.03 percent more than the 1,081,081 assembled last year at this time.

Toyota announced that it has reached full production of 400 cars a day on the first shift at its plant in Georgetown, Ky.

GM's Linden, N.J., plant was closed last week for inventory adjustment. The plant was expected to reopen today.

As reported earlier, GM's Janesville, Wis., truck plant is idle until late July for model changeover. About 1,000 workers are laid off.

Overtime was slated last Saturday at GM's Lordstown, Ohio; Arlington, Texas; and Oklahoma City plants.

Chrysler scheduled overtime last Saturday at Newark, Del.; St. Louis (No. 2) and Toledo, Ohio.

Ford scheduled overtime last Saturday at its Lorain, Ohio; Wixom, Mich.; and Twin Cities, Mo., plants.

Full week hikes Canadian totals

Canadian automakers planned to build 21,312 units last week, 24.28 percent more than the previous week's 17,148 but 1.42 percent below the year-ago week's 21,619.

Production in the previous week and the year-ago week was affected by the Good Friday holiday.

So far this year, 254,397 cars have been assembled, 11.33 percent below the 286,896 produced last year at this point.

Truckmakers targeted 21,057 units last week, 32.20 percent more than the prior week's 15,928 and 38.42 percent more than the year-ago week's 15,212.

Year-to-date, 261,742 trucks have been assembled, 6.54 percent more than the 245,679 built last year at this time.

U.S. CAR	Week Ended Apr. 1, 1989	Week Ended Apr. 2, 1988	Week Ended Mar. 24, 1989	Mar. Est.	Jan. 1 to Apr. 1, 1989	Jan. 1 to Apr. 2, 1988
Horizon	400	1,518	211	811	811	21,985
Sundance	1,800	1,967	1,944	9,691	29,923	27,237
Reliant	0	1,991	0	0	0	22,337
Acclaim	2,900	0	2,342	13,730	29,985	0
Caravelle	0	537	0	0	0	4,856
Gran Fury	0	169	0	0	0	2,676
Total Plymouth	5,100	6,202	4,497	24,032	80,519	79,093
LeBaron K	0	400	0	0	0	4,082
LeBaron J	1,700	1,542	1,833	9,005	28,413	14,025
LeBaron GTS	0	190	0	262	2,946	2,137
N. Yorker C-Class	1,800	1,852	1,885	10,904	32,528	22,217
Fifth Avenue	0	158	0	0	0	11,182
Total Chrysler	3,500	4,142	3,718	20,261	63,887	57,594
Conni	400	1,521	308	708	708	21,610
Daytona	1,700	1,557	1,829	9,021	28,459	13,405
Shadow	1,800	1,577	1,888	9,673	30,353	28,279
Aries	0	1,766	0	0	0	18,413
Dodge 600	0	359	0	0	0	4,201
Dynasty	2,100	2,140	2,386	13,222	40,669	28,961
Lancer	0	126	0	32	1,528	2,947
Spirit	2,200	0	1,955	10,867	27,425	0
Diplomat	0	457	0	0	0	5,572
Total Dodge	8,200	9,503	8,366	43,544	129,142	123,388
CHRYSLER MOTORS	16,800	19,847	16,581	87,837	253,548	260,175
Escort	6,039	3,885	5,856	28,995	92,788	85,188
Mustang	3,459	3,634	3,451	17,862	53,300	57,447
Tempo	2,983	3,072	2,411	13,584	43,039	52,770
Taurus	6,569	6,536	6,277	33,725	100,630	101,767
Thunderbird	3,962	2,755	3,088	16,467	47,111	41,908
Total Ford Div.	23,012	19,882	20,883	110,734	336,868	338,080
Topaz	730	1,377	1,197	5,169	16,341	19,817
Cougar	2,649	1,825	2,280	14,394	39,595	31,910
Sable	2,640	2,378	3,103	13,633	35,300	32,378
Total Mercury	6,019	5,580	6,580	33,196	91,237	84,105
Continental	1,371	749	1,145	6,604	19,191	11,358
Mark VII	458	374	379	2,198	7,646	6,774
Lincoln	2,741	2,237	2,284	13,200	34,519	38,284
Total Lincoln	4,568	3,360	3,808	22,002	61,356	56,416
Total L-M Division	10,587	8,940	10,388	55,197	152,593	140,521
FORD MOTOR CO.	33,599	28,822	31,271	165,931	489,461	479,601
Skyhawk	274	875	153	6,126	8,992	9,070
Skylark/Somerset	1,044	291	1,054	5,520	13,553	6,029
Century	2,248	2,368	1,858	10,481	32,247	18,172
Riviera	430	88	420	2,364	7,459	1,827
Electra	1,561	1,125	1,557	5,864	21,243	17,574
LeSabre (fwd)	3,857	2,315	3,829	17,810	26,701	32,231
LeSabre (rwd)	165	172	128	809	2,484	1,860
Reatta	162	107	162	628	1,797	1,008
Total Buick	9,741	7,341	9,161	49,603	114,476	87,771
Cimmaron	0	117	0	0	0	3,049
Eldorado	753	707	790	3,823	9,782	9,165
Seville	466	425	478	2,468	7,217	6,014
Brougham (rwd)	710	1,121	543	3,309	11,817	639
Deville (fwd)	3,808	3,203	3,921	20,357	57,400	50,047
Allante	56	52	60	309	924	583
Total Cadillac	5,793	5,625	5,792	30,266	87,140	69,497
Cavalier	6,250	5,575	4,992	27,416	98,168	84,483
Camaro	2,424	1,923	2,239	11,191	31,376	15,661
Celebrity	2,145	2,816	1,859	10,820	41,640	39,303
Corsica/Beretta	3,744	7,302	7,443	35,152	109,669	100,913
Caprice	4,670	2,602	3,572	21,438	52,444	50,108
Corvette	560	360	504	2,535	6,708	5,546
Total Chevrolet	19,793	20,578	20,609	108,553	340,005	296,034
Calais	1,836	1,544	1,864	9,671	23,332	26,372
Firenza	0	401	0	0	0	4,452
Cutlass Ciera	1,080	0	1,455	7,271	21,370	0
Cutlass Supreme	2,676	9,137	2,869	5,545	27,113	25,127
Toronado	143	283	160	692	2,930	4,565
88 (fwd)	2,756	3,562	2,739	9,122	41,283	39,829
88 (rwd)	125	211	87	542	1,936	3,297
Olds 98	1,741	1,536	1,736	7,267	24,215	23,073
Total Oldsmobile	10,357	16,674	10,910	40,110	142,179	125,981
Sunbird	2,804	1,758	2,898	15,604	37,567	27,466
Grand Am	4,155	3,891	4,163	23,104	64,038	61,403
Firebird	1,052	1,345	1,054	6,288	18,933	13,299
Grand Prix	3,476	2,602	2,978	14,454	34,455	26,389
Pontiac 6000	1,825	2,207	1,460	8,365	23,807	15,939
Bonneville	2,352	1,886	2,342	6,065	23,299	23,849
Safari/Parisienne	105	168	76	486	1,375	1,837
Fiero	0	450	0	0	0	4,735
Total Pontiac	15,769	14,105	14,971	74,386	203,474	165,807
GENERAL MOTORS	61,453	64,323	61,443	302,918	887,274	745,090
DIAMOND-STAR	1,056	0	876	4,373	9,336	0
HONDA	7,750	5,861	6,144	34,130	100,112	91,475
Civic	2,460	1,641	2,054	11,044	33,324	22,583
Accord	5,290	4,220	4,090	23,085	66,788	68,892
MAZDA†	3,725	1,571	3,837	20,700	61,499	16,361
NISSAN	2,109	2,368	2,058	10,266	29,598	20,554
NUMMI	4,000	2,640	3,218	18,901	49,963	40,793
Corolla	1,600	968	1,312	7,896	21,125	14,486
Geo Prizm/Nova	2,400	1,672	1,906	11,204	28,838	26,307
TOYOTA	1,928	0	2,074	9,243	24,995	0
VOLKSWAGEN	0	1,291	0	0	0	17,126
Golf/GTI	0	946	0	0	0	11,831
Jetta	0	345	0	0	0	5,295
Total Cars, U.S.	132,420	126,723	127,502	654,296	1,905,785	1,671,175
Total Cars, Canada	21,312	21,619	17,148	90,470	254,397	286,896
U.S., Canada Cars	153,732	148,342	144,650	744,766	2,160,182	1,958,071
U.S., Canada Cars and Trucks	248,921	230,667	233,140	1,224,546	3,579,034	3,284,831

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended Apr. 1, 1989	Week Ended Apr. 2, 1988	Week Ended Mar. 24, 1989	Mar. Est.	Jan. 1 to Apr. 1, 1989	Jan. 1 to Apr. 2, 1988
Premier	1,275	1,370	1,010	3,050	12,570	17,455
CHRYSLER MOTORS	1,275	1,370	1,010	3,050	12,570	17,455
Tempo	3,345	3,696	2,682	14,842	45,586	53,545
Topaz	1,455	1,116	1,139	6,387	18,301	18,742
Crown Victoria	2,904	2,387	2,410	12,800	34,820	36,282
Grand Marquis	2,856	2,380	2,401	12,655	36,309	35,642
FORD MOTOR CO.	10,560	9,581	8,632	46,684	135,016	144,211
Celebrity	213	288	140	841	2,488	4,644
Cutlass Ciera	4,059	5,951	3,025	16,421	47,869	60,165
Lumina	2,685	0	1,206	6,160	9,266	0
Pontiac 6000	0	893	0	0	0	11,913
Regal	595	2,838	1,367	7,996	22,301	38,871
GENERAL MOTORS	7,552	9,970	5,738	31,418	81,924	115,593
HONDA	1,485	548	1,414	7,468	21,060	8,070
TOYOTA	260	0	210	1,058	1,614	0
VOLVO	180	150	144	792	2,213	1,567
Total Cars, Canada	21,312	21,619	17,148	90,470	254,397	286,896

U.S. TRUCK☆	Week Ended Apr. 1, 1989	Week Ended Apr. 2, 1988	Week Ended Mar. 24, 1989	Mar. Est.	Jan. 1 to Apr. 1, 1989	Jan. 1 to Apr. 2, 1988
Caravan	2,000	1,481	1,685	9,569	28,916	25,765
Dakota	1,800	2,272	1,959	10,365	28,493	30,631
Mini-Ram Van	100	277	155	759	2,486	3,907
Pickups	1,800	1,116	1,967	10,373	28,477	14,971
Total Dodge	5,700	5,146	5,766	31,067	88,372	75,274
Cherokee	4,100	2,512	3,614	20,740	57,901	45,691
Commanche	500	720	493	2,708	8,966	12,513
Grand Wagoneer	200	280	280	1,374	4,229	3,392
Wagoneer	200	184	137	911	2,621	3,469
Total Jeep	5,000	3,696	4,524	25,732	73,737	65,065
Voyager	1,900	1,322	1,580	9,039	27,863	23,723
Total Plymouth	1,900	1,322	1,580	9,039	27,863	23,723
CHRYSLER MOTORS	12,600	10,164	11,670	65,838	189,972	164,062
Aerostar	3,975	3,600	3,900	21,136	61,453	59,052
Bronco	1,442	987	1,450	8,009	24,176	16,119
Bronco II	2,328	2,442	2,278	12,181	35,975	39,024
Econoline	4,167	4,160	4,159	21,806	64,204	65,720
Heavy trucks	1,173	1,114	1,151	6,407	17,625	17,247
Light trucks	9,309	8,303	9,027	47,874	141,133	131,606
Ranger	6,558	5,886	6,145	32,383	94,924	93,973
Total Ford Div.	28,952	26,472	28,200	149,807	439,490	422,741
FORD MOTOR CO.	28,952	26,472	28,200	149,807	439,490	422,741
Astro	2,591	2,467	2,933	15,166	44,319	45,180
Blazer	530	401	584	2,584	7,331	6,954
Mediums/Heavies	0	232	0	0	0	6,286
P-Model	618	707	684	3,369	7,854	10,100
Pickups	6,528	5,126	6,999	36,197	114,336	81,342
S-10	4,160	5,315	4,257	23,865	74,978	70,809
S-10 Blazer	3,269	2,797	3,313	18,070	50,239	39,293
Sportsvan/Van	1,893	1,699	1,691	9,371	24,506	18,846
Suburban	1,368	1,078	1,153	6,747	20,088	18,401
Total Chevrolet	20,977	19,822	21,594	115,370	343,651	297,211
Jimmy	111	131	148	745	2,242	2,316
Mediums/Heavies	0	777	0	0	0	11,731
P-Model	11	113	29	224	1,030	989
Pickups	1,019	1,401	817	7,372	31,128	27,413
S-15	679	306	1,156	6,020	17,784	19,331
S-15 Jimmy	932	732	1,041	5,275	14,347	9,806
Safari	550	724	649	3,677	11,111	11,532
Suburban	463	518	450	2,604	7,969	9,467
Vandura/Rally Vans	475	316	420	2,343	6,417	10,803
Total GMC	4,440	5,018	4,710	26,260	92,026	103,392
GENERAL MOTORS	25,417	24,840	26,304	143,630	435,679	400,603
NAVISTAR	1,920	1,400	1,534	8,144	22,299	22,339
NISSAN	2,493	1,487	2,454	12,164	35,020	35,586
AM GENERAL	450	450	360	1,980	5,670	5,850
MISCELLANEOUS	2,300	2,300	1,840	10,120	28,980	29,900
Total Trucks, U.S.	74,132	67,113	72,562	391,683	1,157,110	1,081,081

CANADIAN TRUCK	Week Ended Apr. 1, 1989	Week Ended Apr. 2, 1988	Week Ended Mar. 24, 1989	Mar. Est.	Jan. 1 to Apr. 1, 1989	Jan. 1 to Apr. 2, 1988
Caravan	3,137	2,139	2,097	13,452	40,121	38,700
Mini-Ram Van	193	231	149	865	2,558	3,430
Ram Wagon	708	470	534	2,278	7,883	5,939
Ram Van	1,642	1,101	1,403	5,830	20,196	14,864
Total Dodge	5,680	3,941	4,183	22,426	70,758	62,933
Voyager	2,814	1,866	1,943	12,281	35,219	36,078
Total Plymouth	2,814	1,866	1,943	12,281	35,219	36,078
Wrangler	1,700	865	1,492	8,015	20,356	13,005
Total Jeep	1,700	865	1,492	8,015	20,356	13,005
CHRYSLER MOTORS	10,194	6,672	7,618	42,722	126,333	112,016
FORD MTR. (lt. trks.)	3,648	3,094	3,054	15,793	44,260	45,993
Light trucks	3,947	2,185	2,925	14,827	43,389	40,578
Vans	1,560	871	990	6,097	18,008	15,897
Total Chevrolet	5,507	3,056	3,915	20,724	61,397	56,475
Light trucks	853	1,532	531	4,583	18,023	20,078
Vans	585	677	593	3,080	8,582	8,239
Total GMC	1,438	2,209	1,124	7,663	26,605	28,317
GENERAL MOTORS	6,945	5,265	5,039	28,387	88,002	84,792
NAVISTAR	270	181	217	1,193	3,147	2,878
Total Trks., Canada	21,057	15,212	15,928	88,095	261,742	245,679
U.S., Canada Trks.	95,189	82,325	88,490	479,778	1,418,852	1,326,760

—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.